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110th Congress
1st Session

HOUSE OF REPRESENTATIVES

REPORT 110–183

REPORT

ON THE

SUBALLOCATION OF BUDGET ALLOCATIONS FOR FISCAL YEAR 2008

TOGETHER WITH

MINORITY VIEWS

SUBMITTED BY MR. OBEY, CHAIRMAN, COMMITTEE ON APPROPRIATIONS



JUNE 8, 2007.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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LETTER OF SUBMITTAL

HOUSE OF REPRESENTATIVES, COMMITTEE ON APPROPRIATIONS, Washington, DC, June 8, 2007.

Hon. NANCY PELOSI, The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MADAM SPEAKER: By direction of the Committee on Appropriations, I submit herewith the Committee's report on the suballocation of budget allocations for fiscal year 2008. As required by section 302(b) of the Congressional Budget Act of 1974, this report subdivides the allocation of fiscal year 2008 spending authority to the House Committee on Appropriations contained in the Joint Explanatory Statement of the Committee of Conference on S. Con. Res. 21, the concurrent resolution on the budget for fiscal year 2008. That allocation has been adjusted by Chairman Spratt pursuant to section 207(f) of S. Con. Res. 21, and the attached suballocations are consistent with that adjustment.

Sincerely,

DAVID R. OBEY, Chairman.

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110TH CONGRESS \\
1st Session

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REPORT ON THE SUBALLOCATION OF BUDGET ALLOCATIONS FOR FISCAL YEAR 2008

June 8, 2007.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. OBEY, from the Committee on Appropriations, submitted the following

REPORT

together with

MINORITY VIEWS

SUBALLOCATION OF BUDGET ALLOCATIONS FOR FISCAL YEAR 2008

The Committee on Appropriations submits the following report on the suballocation of budget allocations for fiscal year 2008 pursuant to section 302(b) of the Congressional Budget Act of 1974. This report is consistent with the "Allocation of Spending Authority to House Committee on Appropriations" presented in the Joint Explanatory Statement of the Committee of Conference on S. Con. Res. 21, the concurrent resolution on the budget for fiscal year 2008. That allocation has been adjusted by Chairman Spratt pursuant to section 207(f) of S. Con. Res. 21, and the following suballocations are consistent with that adjustment.

SUBALLOCATIONS TO SUBCOMMITTEES FISCAL YEAR 2008 BUDGET AUTHORITY AND OUTLAYS [In millions of dollars]

Subcommittee	Discretionary	Mandatory	Total
Agriculture, Rural Development, Food and Drug			
Administration:			
Budget authority	18,825	32,905	51,730
Outlays	20,027	21,115	41,142
Commerce, Justice, Science:			
Budget authority	53,551	234	53,785
Outlays	55,318	225	55,543
Defense:			
Budget authority	459,332	263	459,595
Outlays	475,980	263	476,243
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Energy and Water Development:			
Budget authority	31,603	**********	31,603
Outlays	32,774	1	32,775
Financial Services and General Government:			
Budget authority	21,028	21,394	42,422
Outlays	21,650	21,388	43,038
Homeland Security:			
Budget authority	36,254	1,072	37,326
Outlays	38,247	1,066	39,313
Interior, Environment:			
Budget authority	27,598	54	27,652
Outlays	28,513	55	28,568
Labor, Health and Human Services, Education:			
Budget authority	151,112	451,491	602,603
Outlays	148,433	451,718	600,15
Odiays	140,400	431,110	000,10
Legislative Branch:			
All except Senate:			
Budget authority	3,098	126	3,22
Outlays	3,112	126	3,238
Senate items:			
Budget authority	926	**********	926
Outlays	924		924
Total Legislative:	4.004	400	4 45
Budget authority	4,024	126	4,150
Outlays	4,036	126	4,162
Military Construction, Veterans Affairs:			
Budget authority	64,745	40,978	105,723
Outlays	54,831	40,856	95,687

SUBALLOCATIONS TO SUBCOMMITTEES FISCAL YEAR 2008 BUDGET AUTHORITY AND OUTLAYS Continued [In millions of dollars]

Subcommittee	Discretionary	Mandatory	Total
State, Foreign Operations:			
Budget authority	34,243	159	34,402
Outlays	33,351	159	33,510
Transportation, HUD:			
Budget authority	50,738		50,738
Outlays	114,869		114,869
Full Committee allowance:			
Budget authority	,	***********	
Outlays		*********	369
Grand total:			
Budget authority	953,053	548,676	1,501,729
Outlays		536,972	1,565,370
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FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 1

Date: June 5, 2007

Measure: Report on the Suballocation of Budget Allocations, FY 2008

Motion by: Mr. Murtha

Description of Motion: To approve suballocation and order it reported.

Results: Adopted 37 yeas to 28 nays.

Members Voting Yea

Mr. Berry Mr. Bishop Mr. Boyd Mr. Chandler

Mr. Cramer Ms. DeLauro Mr. Dicks Mr. Edwards Mr. Farr Mr. Fattah

Mr. Hinchey Mr. Honda Mr. Israel Mr. Jackson Ms. Kaptur

Mr. Kennedy Ms. Kilpatrick Ms. Lee Mrs. Lowey Ms. McCollum

Mr. Mollohan Mr. Moran Mr. Murtha Mr. Obey

Mr. Olver Mr. Pastor Mr. Price Mr. Rodriguez Mr. Rothman

Ms. Roybal-Allard Mr. Ruppersberger

Mr. Ryan Mr. Schiff Mr. Serrano Mr. Udall Mr. Visclosky

Ms. Wasserman Schultz

Members Voting Nay

Mr. Aderholt Mr. Alexander Mr. Calvert Mr. Carter Mr. Crenshaw Mr. Culberson Mrs. Emerson Mr. Frelinghuysen Mr. Goode Ms. Granger Mr. Hobson Mr. Kingston Mr. Kirk Mr. Knollenberg Mr. LaHood Mr. Latham Mr. Lewis Mr. Peterson Mr. Regula Mr. Rehberg Mr. Rogers Mr. Simpson Mr. Tiahrt Mr. Walsh Mr. Wamp Dr. Weldon Mr. Wicker

Mr. Wolf

MINORITY VIEWS OF REPRESENTATIVES LEWIS, YOUNG, REGULA, ROGERS, WOLF, WALSH, HOBSON, KNOLLEN-BERG, KINGSTON, FRELINGHUYSEN, WICKER, TIAHRT, WAMP, LATHAM, ADERHOLT, EMERSON, GRANGER, PE-GOODE, LaHOÓD, TERSON. WELDON, SIMPSON, CULBERSON, KIRK, CRENSHAW, REHBERG, CARTER, AL-EXANDER. AND CALVERT

When the House Appropriations Committee met on June 5, 2007 to consider the proposed 302(b) Subcommittee allocations for fiscal year 2008, we strongly considered offering an amendment, such as that done in the past, which would offer a different set of allocations based on the roughly \$933 billion total spending suggested in the President's budget submission. This spending level already reflected a very generous increase of \$60 billion over the 2007 enacted spending level. Obviously, such an increase was not enough to satiate the spending lust of our new Democrat majority as they were determined to pile another \$20 billion on top of the \$60 billion. And, in a budgetary slight of hand not reflected in these allocations, the majority is using gimmicks to add another \$3 billion on top of these already whopping increases for a total of \$83 billion in new discretionary spending—almost 10% over the FY 2007 level.

At the end of the day, we determined that offering such an amendment was a pointless exercise and perhaps even a waste of our Members' valuable time. However, it is instructive to paint the broad picture of spending upon which our Democrat colleagues are about to embark.

The Democrat majority likes to suggest that additional dollars are constantly needed for our domestic programs because they have been "starved" over the past several years. The truth is, domestic discretionary spending has increased 40%—or 21% in real dollars since 2001. Members and others can of course advocate for more money for this program or that program which might be favorites, but to do so using a generic statement that domestic discretionary programs have been starved is utter nonsense.

With regard to the majority's plan to spend \$83 billion over the 2007 enacted budget levels, we would submit that this represents exactly the kind of unfettered spending that so closely identifies the differences of philosophies between Republicans and Democrats. It's pre-1995 all over again when, for 40 years, the Democrat majority's mantra clearly was, "If you see a problem, throw money at it." Never mind trying to fix the problems. Never mind making tough spending choices. Just take more money out of the register and throw it at the problem.

Does it matter that if this spending philosophy continues and is adopted into the baseline, this country will see an increase of \$250 billion in new spending over the next ten years? It should matter! And who will pay for these massive increases in spending and how will it be paid? The Democrat majority's agenda requires tax increases of more than \$720 billion over the next five years and \$2.7 trillion over the next ten years. The Democrats have chosen to pay for this by increasing the tax burden on every American

household by more than \$2,000 per year.

Much has been said over which tax increases we will face to pay for this massive expansion in government spending. This year alone over 19 million more households will be captured by the Alternative Minimum Tax (AMT) and yet the majority now is counting on the billions in additional taxes to pay for its spending increases. The AMT is not for the wealthiest households any longer. These funds come from the pockets of middle income families.

Yet which taxes are increased is not the issue. That the Democrat majority imposes new or increased direct taxes that families pay every April 15th is not the issue. That the majority would impose indirect taxes that we will all have to pay for every day through higher prices, lower savings and investment income, and

fewer services is not the issue.

What truly matters is that the middle income households are always paying the bill for expanded government, and these 302(b) allocations by the Democrat majority guarantee years of payments.

What is at issue is that over \$720 billion in new taxes are required to keep pace with this spending addiction and that the taxes will go from a historical 18.3% of GDP to a whopping 19.7% of GDP.

And what is also at issue is who, in reality is going to pay. In 2004, 50% of the total Federal tax burden was paid for by the 65 million households that earned between \$24,000 and \$65,000 per year. The vast majority of those taxes are being paid for by individuals between the ages of 45 and 54 with incomes between \$55,000 and \$77,000 a year. This group pays more than 20% of their income just to meet the federal tax burden. This is the group of Americans which every year pay over \$500 billion dollars a year in taxes to support our parks, conduct our research, and provide support and services for the young and the elderly. These are the households and individuals that will pay for the expanded government that the majority is demanding and these are middle class groups that our lip service suggests we want to protect.

The allocations before us also point to another key difference in the spending priorities between the Democrat majority and Republicans. We have heard countless arguments by the majority party that they fully support funding for our troops. But despite increasing spending by over \$23 billion above the President's request, the Democrat majority chose to cut defense spending by over \$3.5 bil-

lion below the President's request.

We have heard changing arguments from our Democrat counterparts as to why they chose to cut Defense. During debate in Committee on the allocations, the Democratic majority stated that defense was being cut to pay for veterans increases. Unfortunately, the math just doesn't add up.

The budget resolution provided a \$4 billion increase above the President's level for veterans, roughly the level provided by the Committee majority. And, the same budget fully funded the President's request for defense. So it's fair to say that the Committee did not cut defense to fund veterans.

Upon further questioning, the Democratic majority then argued that defense was cut to pay for other homeland security programs, but again the numbers just don't add up since the budget resolution assumed spending for these programs well above the President's request. This leaves only one explanation for cutting defense—the Committee majority chose to divert funds that benefit our troops to instead bolster spending for other non-defense, non-homeland security discretionary programs at levels over and above the generous funding levels assumed in the budget resolution. We think it is important that the record be set straight so that the American people can see the priorities that are reflected in the Democrat majority's decisions.

By moving forward with the allocations as adopted by the Democrat majority, we are virtually guaranteeing a number of vetoes from the White House. We are virtually guaranteeing that most if not all of the spending bills we do this year will end up in a huge omnibus bill sometime late in the session. We are virtually inviting the Executive Branch to be equal partners in the minutia of Congressional budget deliberations, something that, we are proud to say, has not happened since President Clinton left office. We are absolutely guaranteeing less real income to America's middle class for their families as they pay for the Democrats' spending spree.

Adoption of these 302(b) allocations approved by the Democrat

Adoption of these 302(b) allocations approved by the Democrat majority spells failure to do our job in a manner that has long been part of the Committee's 142 year, bipartisan heritage. We cannot

and do not support them.

JERRY LEWIS. BILL YOUNG. RALPH REGULA. HAROLD ROGERS. FRANK R. WOLF. JAMES T. WALSH. DAVE HOBSON. JOE KNOLLENBERG. JACK KINGSTON. RODNEY P. FRELINGHUYSEN. ROGER WICKER. TODD TIAHRT. ZACH WAMP. Tom Latham. ROBERT B. ADERHOLT. JO ANN EMERSON. KAY GRANGER. JOHN E. PETERSON. VIRGIL GOODE. RAY LAHOOD. DAVE WELDON. MICHAEL K. SIMPSON. John Culberson. MARK STEVEN KIRK. Ander Crenshaw. DENNY REHBERG.

JOHN R. CARTER. RODNEY ALEXANDER. KEN CALVERT.

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